Addendum August 2019-December 2024

The format of the Foundation history will change with the beginning of August 2019. Previously, the Foundation history on the website has focused on the grant making evolution from basically the old Henrotin Hospital service area by providing equipment and for medical and nursing scholarships. These grant making seeds expanded through the insight of the Board, to provide grants and PRI's (Program Related Investments-low interest forgivable loans) as well as convening activities to help Chicagoland communities through their FQHC and Free clinics as well as the safety net hospital system to improve the social determinants of health care. The Foundation sharpened its scholarships to research fellowships and initiated a major international research project, the Chicago Diabetes Project. With the leadership of Drs. Werner and Creticos the Foundation mapped out a program of strengthening its three-pronged grant making approach: direct health care services, medical research and medical and nursing education. (See PDF attachment of Executive Director's Grant Analysis for each Board meeting from August 2019 to December 2024.)

However, by January 2020 one of the two fundamental "change event "events were about to occur. These two events, one that was not anticipated and one that was anticipated, would both have the potential of fundamentally changing the nature of the Foundation and its ability to carry out its mission statement (website www.wshf.org).

By January 2020 health care professionals beyond CDC & WHO surveillance personnel became aware of what had already become a worldwide Covid-19 pandemic. This pandemic caused a major change in grant making focus of most national and even more importantly local foundations. Sources of funding for local community not for profits literally dried up in a flood of Federal, State, and Local funders funding for anything Covid related. Unfortunately, most Chicagoland Community not -for-profits really did not play a health care role in combatting the pandemic, except for trying to figure out how to provide their vital community services in an environment that discouraged unprotected in person contact.

The Foundation Board determined it would not expend its limited resources fighting a pandemic which required massive federal, state and local funding. The resources were in fact available for local not for profit health care providers which were on the front lines of providing health care to help fight the epidemic. This abundance of Covid funding caused a major change in the funding approach of not for profits which in fact provided needed health care services prior to the epidemic but which were not directly tied to providing health care service for treating the victims of the epidemic or to Covid immunization or Covid prevention programs.

First, they tried to market themselves as Covid health care providers. In most cases this was not a successful approach to fund raising and when it was it would reshape the mission of these community health care providers.

Second was to develop alternate means of delivering their services to the community without spreading the epidemic. This resulted in the Foundation spearheading, through its proactive grant making, various uses of telemedicine from individual counseling, therapy, medical examinations and group therapy and guidance sessions. This "telemedicine" allowed community health care organizations to provide services in a safe manner and to expand both the range and type of services with an expansion of available client participation. This innovation has been retained post pandemic by local community health care providers and in fact has expanded. For a full discussion of the role of local Funder during the pandemic as

conceived by the Foundation (see article on Foundation website, “The Eleventh Plague”, May 2020).

The response of the Foundation to the Covid epidemic had to be almost simultaneous with the actual outbreak. There was no extensive preparation or planning time for the Foundation’s response to the pandemic. It had to respond to the pandemic in real time in the course of immediate events. Not so the second major event the foundation faced in the same general time period since the last addendum to the history of the Foundation cited earlier and found on the Foundation website, “Addendum 2013-2019”.

As of July 1, 2023, the founding Executive Director, Howard Nochumson, retired after 36 years as Executive Director of the Foundation. He was the first and up until his retirement the only Executive Director the Foundation has ever known. His observations over the last 36 years as Executive Director can be found on the Foundation’s website, Farewell Letter to the Philanthropic Community. The Foundation’s plan of transition was conceived many years ago and allowed the Foundation to avoid the usual organization transition process mistakes. These mistakes unusually involve the expenditure of major funds for the search for a successor Executive Director from outside the organization, “the grass is always greener on the other side”. However, in most case that is not true, in fact it is full of non-indigenous weeds.

The decision to promote a person from within the Foundation staff to the position of Executive Director was made when the Executive Director talked of his potential choice for a future replacement many years ago with the then President of the Foundation, Dr. Angelo P. Creticos. He recommended to Dr. Creticos that the Foundation pay for the then Program Associate, Catherine Kapella’s Masters in Public Health, as he felt she would be his then future replacement many years in the future. Dr Creticos agreed and in his usual insightful manner said, “she was a good choice, as she had a good heart”.

Almost immediately with Catherine’s assumption of the Executive Directorship of the Foundation July 1, 2023, she initiated new Foundation pathways in Foundation operations, grant making and entirely new Foundation initiatives.

Catherine computerized all aspects of the Foundation’s invoice payment systems, record keeping and payroll. This modernization of Foundation operational activities resulted in considerable man hour and monetary savings to the Foundation. Her completion of the online grant making system has made it possible for potential grantees to be able to submit all aspects of the grant requesting procedure online, saving grantees untold number of man hours and cost of applying for a grant.

In order to help achieve a minimum needed return of 8%, Catherine, working with the Finance Committee Subcommittee, has been able to maximize cash returns with protection of principal, through expanding the use of market linked investments, continuing to reduce foreign investment fund holdings and increasing domestic fund holdings. So far, these policies have resulted this fiscal year in a two million dollar increase in the Foundation’s portfolio, and a resultant increase in Foundation grant and PRI giving.

Part of her far-reaching methodology to bring order and rationale to the Foundation’s entire operations, she initiated with the Board’s support the development of a “One- and Five-Year Plan”. This allows the Foundation to forecast both its operational needs and required resources for the forthcoming coming five-year period. The genius of this type of planning is that it allows the plan to be revised annually to adjust for unforeseen events.

One such event, for example, occurred almost immediately upon her taking on her new role. The Foundation's landlord in the Hancock Building executed their right under the current lease to move the Foundation offices. This of course occurred while she was on vacation. Catherine enlisted the former Executive Director to work with the landlord, directing his activities from her European vacation. Upon her return she completed the design of the new office location, which is twice the size of the old offices, for the same rent, through the remainder of the current lease. Catherine was able to negotiate with the Hancock covering all remodeling and construction costs as well as moving costs, including even the required new stationery.

In addition, through targeted grant support to the IOMC (Institute of Medicine of Chicago) and the University of Illinois School of Public Health, Catherine has been able to raise the community and professional level of awareness of the Foundation. She has also tapped a previously unused Foundation resource: Foundation Research Scholars. She has established a foundation Scholar Advisor Committee to aid in the grant making process. These are serious medical research professionals, who not only will provide funding recommendations on a limited number of grants, but they will be a potential source of new Board members.

Finally, Catherine had to search for and employ a Program Assistant while continuing her Foundation Intern program. One might ask how Catherine has been able to "hit the ground running" and accomplish all the above? The answer is the one given at the beginning of this Foundation History Addendum 2019 to January 2025. It is having an Executive Director that the Foundation developed to fill when vacant the Executive Director position. The Foundation leadership, Dr. Angelo P. Creticos and Dr. William Werner, both supported this approach to meeting the need of the Foundation for long-term leadership beyond the retirement of the founding Executive Director. When Catherine was asked how she has been able to do all of the above, she said she had the best teacher, Howard Nochumson, her former "boss' and mentor", who hired her as an intern over 18 years ago. When he was asked how he was able to mentor Catherine so effectively, he simply said, "I have been a teacher, master teacher teaching teachers, and a business mentor, developing for profit and not for profit executive personnel. Catherine is the best person I have ever had the opportunity to mentor".

Howard Nochumson
Director Emeritus
1/14/25

Attached PDF of Executive Director's Grant Funding Analysis- August 2019-August 2024